Registered No. M.—1175.

384

239

The Mysore Gazette.

Vol. 61.] PUBLISHED BY AUTHORITY. [No. 8.

BANGALORE, THURSDAY, FEBRUARY 25, 1926.

PART III.

Legislative Measures and Rules thereunder.

NOTIFICATION.

RULES REGULATING SALES OF EXCISE PRIVILEGES.

Notification No. Fl. 4560—*Ex.* 50-24-18, *dated* 17*th February* 1926.

Under Section 16 of the Excise Regulation, V of 1901, as amended from time to time and also Section 5 of the Opium Act, I of 1878, and in exercise of all other powers enabling them in this behalf, the Government of His Highness the Maharaja of Mysore are pleased to frame the following rules to regulate the disposal of the privilege of retail vend of intoxicating liquors and drugs, in supersession of Notification No. R. 9208—Ex. 14-18-9, dated 13th February 1920, as amended from time to time.

SECTION I.

I.—PROCEDURE REGARDING DISPOSAL.

1. The privilege of retail vend of excisable articles shall be disposed of either by auction or by such other method as may be notified by Government.

2. In cases where the right of retail vend is permitted by Government to be disposed of by calling for tenders, a notification calling for the same shall be published by the Excise Commissioner in three successive issues of the *Mysore Gazette*, after obtaining the previous approval of the Government therefor.

3. In cases where the privilege of retail vend is permitted to be disposed of by auction, the Excise Commissioner will issue every year (or on such other occasions as may be fixed by Government) a notification, both in English and in Kannada, giving such further instructions and conditions as may be required to supplement those herein contained to regulate the sales, with a statement showing the time and places of sale.

4. The Deputy Commissioners will themselves conduct the sales in important places. In other places the Revenue Sub-Division Officer or any other Gazetted Officer of the Revenue or Excise Department, not below the rank of an Assistant Commissioner, should hold the sales.

II.—CONDITIONS OF AUCTION SALE.

5. A deposit must be made by each bidder previous to bidding and will be received *by the selling officer on the day of sale.* A deposit of Rs. 50 will ordinarily be required from any person wishing to bid for any important shop or any large number of shops. This will be reduced to Rs. 20 in the case of bidders for not more than two or three shops of an aggregate monthly value of Rs. 50 or less and to Rs. 5 in the case of bidders for single small shops. In the case of shops whose average monthly rental is very small, the selling officer may fix such other reasonable amount as he may deem fit. At the close of the day's sale, the deposit made by the unsuccessful bidders will be returned to them.

6. A bidder, about whose solvency the sale-conducting officer is not certain, will be required to produce either a certificate of solvency from a responsible officer of Government or two respectable persons as sureties for the due fulfilment of his obligation as a purchaser at the sale.

7. The shops will be put up to auction in the order in which they are notified in the schedule unless the selling officer sees reason to change that order. Upset prices will be fixed at the discretion of the selling officer. The rentals and the consumption of the previous three years will be notified for the information of the bidders.

Note 1.—The privilege of vending toddy in any coffee estate or kan may be sold to the planter or kan-holder for any fixed amount not less than Rs. 36 per shop per annum.

Note 2.—Toddy shops in alienated villages whose claims to the Excise Revenue from toddy have been recognized or have not yet been settled shall invariably be sold separately and the amounts connected therewith shall be shown in the accounts under a distinct head. Where Inam shops are sold along with Government shops, when the former cannot be conveniently disposed of individually, the rental of Inam shops will be fixed *pro rata* according as there is increase or decrease in the rental of Government shops.

8. Every shop will, as a rule, be sold independently. Grouping will be resorted to only under very exceptional circumstances limiting the number of shops so grouped strictly to the necessity of the occasion.

9. No person will be allowed to bid for another unless he holds a power-of-attorney, from him.

10. No shops will be knocked down in the name of two or more persons unless they represent a duly recognised company or firm by means of a power-of-attorney. The selling officer shall refuse to register as a purchaser any one in whose name the bidding has not proceeded.

11. The officer conducting the sale may, at his discretion, refuse to accept the bid of any person on the ground that it is too low, or that he has been convicted by a criminal court, or has previously been guilty of such a breach of the conditions of a license or of a contract under the Excise Regulation or Opium Act, so as to render him undesirable as a holder of a license, or that such a course is necessary to prevent arrangements to the detriment of Government interests, or for any other valid reason. He may also refuse any bid which he may consider to be purely speculative after recording his reasons for doing so. Village Officers will not be allowed to bid for, or to have any pecuniary interest in, shops for the sale of intoxicants within the limits of their villages. No defaulter who owes arrears of Excise Revenue to Government should be allowed to bid at the Excise sales unless he produces a certificate from the Deputy Commissioner or Sub-Division Officer stating that the non-payment of the arrear due by him is due to its not having been determined or to its being in dispute or under correspondence.

12. The shops will be knocked down to the highest bidder, but the sale will be subject to formal confirmation by the Deputy Commissioner, who shall be at liberty to accept or reject any bid at his discretion. Such formal confirmation will be tantamount to an acceptance of the bid unless revised by the Excise Commissioner for special reasons and will be necessary whether the sale is held by the Deputy Commissioner himself or by any officer appointed by him.

13. In case of dispute at the time of auction, the selling officer's decision shall be final; and if for any reason the highest bid is rejected, the next highest may be taken or the shop re-sold at his discretion.

14. Shops remaining unsold at the first auction will ordinarily be disposed of by re-auction or by tender or otherwise at the discretion of the Deputy Commissioner later on.

15. As the auction proceeds, each person whose bid is accepted shall at once, if so required by the selling officer, or otherwise at the close of the day's sale, make a

further deposit which together with the initial deposit made under Condition 5, will make up one month's *khist* for each shop. In the case of a foreigner, the initial deposit together with the further deposit will be equal to two months' *khist*, and in the case of a Bagani toddy shop, to four months' *khist*. Should he fail to do so, the deposit made by him under Condition 5 will be forfeited and the shops will be put up again immediately to auction by the selling officer on the above conditions or otherwise disposed of by the Deputy Commissioner at the risk of the defaulter who will be debarred from bidding again for the same or for any other shop. Successful bidders will be granted proper receipts for the amount deposited by them.

16. Persons to whom shops have been knocked down and who have made deposits as provided in Conditions 5 and 15 shall (i) at once apply in writing for a license for each shop knocked down to him and within a week thereafter furnish the Amildar with the boundaries of the site selected by him for the location of the shop and a statement in the prescribed form (annexed to this notification) showing details of immoveable property possessed by him, or in which he has an interest together with accurate and full details of encumbrances, etc., thereon;

(ii) within fifteen days from the date of sale, deposit such further sum as with the deposits already made under condition 15 *supra* will make up two months' rent of all shops knocked down to him. They shall then without unnecessary delay execute the necessary engagements and take out licenses on the conditions hereinafter set forth. In the case of the purchaser's death after signing the agreement, it will be binding on his heirs and assigns.

17. If, on enquiry subsequent to sale, the purchaser shall be found to be of doubtful solvency, or a foreigner having no sufficient property in the Mysore State, he may be required either (i) to deposit twice the sum prescribed in Condition 16 *supra*, or (ii) to execute a mortgage of his immoveable property in Mysore in favour of the Government for all moneys that may become due under the terms of the contract with a power of sale in favour of the mortgagee to be exercised in default of payment thereof by the purchaser, or (iii) to get a surety or sureties, residents of and possessing sufficient property in the Mysore State, to execute a security bond for the due payment of all moneys that may become due by him under the terms of the contract and to execute a mortgage deed of his or their immoveable property in favour of the Government for the payment of all moneys due under the said contract by the purchaser with a power of sale in favour of the mortgagee in default of payment thereof, by the surety or sureties or by the purchaser, or (iv) if the Amildar is not satisfied that the value of the immoveable property tendered by the purchaser as security is adequate, he may require such person further to produce, in addition to mortgaging his property, a surety or sureties to be approved by the Amildar, who shall execute a security bond for the balance of the money that may become due and execute a mortgage deed of the surety or sureties' property in favour of the Government. The sureties referred to in sub-clauses (iii) and (iv) should submit to the Amildar a statement in the prescribed form annexed to this notification, showing details of their immoveable property. The purchaser shall be bound to carry out the provisions of sub-clauses (i) to (iv) above, within fifteen days from the date of sale.

The bond and the mortgage deeds shall be stamped and registered at the expense of the purchaser.

18. As soon as the sales are over, the sale-conducting officer shall forward a list of successful bidders with his remarks to the Deputy Commissioner for confirmation of the sales.

19. Deposits will be returned in any case in which the Deputy Commissioner refuses to confirm the acceptance of the bid.

20. On the failure of any person to make deposit under Conditions 15 and 16 or to comply with the requisition under Conditions 16 and 17 *supra* or to execute engagements and take out licenses as aforesaid, the deposits already made shall be forfeited and the shop promptly re-sold. Due publication should always be given to the re-sale in the localities concerned and among persons likely to bid at the sale.

21. Resales effected under Condition 20 will be at the risk of the defaulting bidder who will forfeit all gain, and, in the event of loss, will be required to make good the deficiency between the total amount payable for the whole period, under the terms of the original sale and the total amount payable by the successful bidder at the resale. In the latter case, the forfeited deposits will be deducted from the loss arising from the resale and the remainder, if any, will be recoverable from the defaulter in the same manner as if it were an arrear of land revenue. Should, however, the forfeited deposits be greater than the loss by resale, the whole of such deposits will be credited to Government. The defaulting bidder will be similarly liable if the privilege is disposed of otherwise than by resale and such disposal results in loss to Government as compared with the original sale. Disposal otherwise than by resale includes closure.

22. The deposits under conditions 16 and 17 may be made either in cash or approved security. When deposits are made otherwise than in cash, the same will be accepted at their market value not exceeding the face value of the bond.

23. Deposits in cash will be adjusted towards the instalments of *Khists* due in the last month of the period of the lease. Deposits of securities or Savings Bank pass books etc., will be returned on payment in cash of the full amount of the rent due and of any penalties or other sums recoverable under the terms of the license or the conditions set forth below unless the depositors wish that Government should take them over, in which case they will be taken over at market rates, and the balance if any, due to Government must be paid in cash. In cases of default under condition 20 of the Conditions of Auction Sale or under Conditions 58 and 59 of the General Conditions Applicable to all Excise and Opium Licenses, all securities deposited are liable to be sold for any amount due to Government under the terms of the lease, the remainder, if any, due after such sale being recovered as arrears of Land Revenue.

24. The purchaser shall adhere to all the provisions of the Excise and Opium Laws which are in force or which may come into force and of the rules which have been or may from time to time be framed either by Government or by the Excise Commissioner or by any competent authority.

25. The purchaser of the privilege is liable to the penalties prescribed for breaches of the conditions set forth below though a formal license may not have been issued to him.

26. The licenses issued under the above clauses will contain the following general conditions common to all Excise and Opium licenses and the special conditions prescribed below for each particular kind.

III.—GENERAL CONDITIONS APPLICABLE TO ALL EXCISE AND OPIUM LICENSES.

27. (*a*) The manufacturers of arrack and other country spirits as well as the licensees of Arrack Bonded Depots are prohibited from holding any interest in the retail vend of arrack or in the vend of other intoxicants and from employing any person who has such interest.

(*b*) The lessee of an arrack shop shall not have any interest in the privilege of vending special liquors in the place and *vice versa*.

28. The limits within which sales and possession under any Excise or Opium licenses may be carried on will be specified by the Deputy Commissioner at the time of the grant of the license. The sale or possession (except subject to the rules applicable to unlicensed persons) of liquor, intoxicating drugs or opium outside those limits is prohibited except with the special permission of the Deputy Commissioner.

29. Sales under any Excise or Opium license must be conducted in an approved building, of which the whole or the whole of a separable part must be entirely set aside for use as a depot or shop. If there are means of communication between the depot or shop and an adjoining dwelling house, they must be kept locked at night. In the case of arrack shops in Municipalities or towns having a population of 2,000 and over, the shop premises shall have no doors except into the main streets; unless barred and protected by wire netting, no windows or other openings shall be allowed to the rear or at the ends of the building; there shall be no possible means of ingress or egress in any other direction; the bar at which the sale is held shall be opposite the entrance door and so situated that all persons inside can be seen by any one passing to and fro in the street, and shall not be more than four feet raised from the ground and no second room shall be used for sale, or be kept open for customers. The interior of the shop shall be sufficiently lighted by day so that the whole interior may be visible from the front door and the premises shall be kept clean and in a sanitary condition. The shop shall not be used as a place of residence; but vendors or caretakers may sleep in it at night, if necessary, to safeguard the stock.

30. (*a*) Except when two or more Foreign Liquor licenses or the Ganja and Opium licenses in the same locality are held by one person, or in the case of licenses held by Chemists and Druggists and Medical Practitioners, sales under different licenses must be conducted in different premises.

(*b*) The possession upon any licensed premises of any liquor, intoxicating drug or opium except that to which the license relates, or of any essence or substance used or capable of being used for colouring or flavouring liquor, except in accordance with the terms of a compounding license, is prohibited.

31. A signboard must be affixed to the front of each shop showing the nature and number of the license under which sales are conducted there and the name of the licensee and the current rate of sale. These particulars must be legibly painted in the local vernacular. The license must be hung up in a conspicuous place within the depot or shop.

32. All liquor, intoxicating drugs and opium sold or kept for sale shall be of good quality, undiluted and unadulterated. Nor shall a blend of different kinds of liquors be made and sold under the designation of one of them. Nothing shall be added to them either to increase their intoxicating power or for any other purpose except the manufacture of intoxicating

386

drugs in accordance with the terms of a license. All officers authorized to inspect depots and shops (*vide* condition 50 *infra*) are authorised to detain any liquor, intoxicating drug or opium found unfit for consumption or use, or which they may believe to have been tampered with, and the Excise Commissioner, Deputy Commissioners and Revenue Sub-Division Officers are empowered to confiscate and destroy such as are found unfit for consumption or use.

33. The manufacture, sale or transport of liquor, intoxicating drugs or opium and the tapping or drawing of toddy in the case of palm trees by persons below the age of sixteen or by persons suffering from leprosy or any contagious disease and the employment of such persons in groves, shops or depots for the sale of the same are prohibited. The Revenue Sub-Division Officers or the Range Inspector may call for the names of all persons employed or proposed to be employed in depots, shops or groves and the Revenue Sub-Division Officer may forbid the sale of intoxicants or their manufacture or transport by any person whom he may disapprove.

34. No arrack shop, foreign liquor or beer shop will be opened before 9-30 A.M. No other shop or depot shall be opened before sunrise. In the Bangalore City, however, the working hours of liquor shops (other than toddy shops) should be from 11 A.M. to 8 P.M. No depot or shop shall be kept open, on any plea, after 8 P.M.

35. Deputy Commissioners are authorized to notify at the time of the auction sales that specified shops will be closed on the occasion of specified festivals and that the hours of sale at specified shops which are situated within a mile of a market or shandy will be limited on market days generally or that they will be liable to limitation on such occasions by orders issued during the currency of the lease if it is found that the shops promote drunkenness. Special discretion is given to Deputy Commissioners to reduce these hours further in industrial areas by closing the shops on week days from 11-30 A.M. to 1-30 P.M., and on the afternoon of pay days and by directing the shops to keep open on Sundays only between 11-30 A.M. and 4 P.M. In the Cities of Bangalore and Mysore and in the Kolar Gold Fields, sales after 8 P.M. will be allowed in special cases under separate licenses and on payment of such fees as may be prescribed by the Excise Commissioner. Power is reserved to Deputy Commissioners on the report of Police or for other sufficient recorded reasons, to order the closure of any particular shop either in towns or in the country at 7 P.M., if they consider such a course to be advisable in the interests of the public.

36. Drunkenness, disorder or gaming shall not be permitted in depots or shops. Entertainments of any kind in depots or shops are also strictly forbidden.

No women shall be employed in any Excise or opium shop for the sale of liquor, opium or intoxicating drugs without the special permission of the Deputy Commissioner unless she be a member of the renter's family.

No robbers or thieves or disorderly or riotous persons or prostitutes or soldiers or others known or believed to be deserters shall be harboured in depots and shops. Intimation of their resort thereto shall be given to the nearest Magistrate or Police Officer.

No person shall be harboured in any depot or shop during the night.

37. Depots and shops situated on or adjacent to the line of march must be closed, if the Deputy Commissioner so orders, while a Regiment or Detachment of European or Indian soldiers is passing or is encamped in the vicinity. Deputy Commissioners or Revenue Assistant Commissioners shall have power also to close any shops temporarily in times of religious excitement or disturbance. Every depot and shop-keeper shall, on his own motion, close his depot or shop when there is riot or disturbance in the neighbourhood.

38. The Deputy Commissioners may order the transfer of depots and shops from one locality to another within the limits of the same town (including cities) or village or the closure of the same. But no new shops shall be opened except with the previous sanction of the Excise Commissioner.

39. (1) No occasional licenses will be issued for the sale of liquor during Jatras and except in Municipal towns, (including cities) existing shops, if any, will be removed to a distance of one mile from the place of Jatra during the duration of the Jatra.

(2) Ordinary shops will not be located in unduly prominent places so as to be offensive or to offer unnecessary allurements.

40. No liquor, intoxicating drug or opium shall be sold or given—

(*a*) except at shops specially approved by the General Officer Commanding the Division (or independent Brigade) or the officer Commanding the Cantonment or Camp, and then only in respect to such liquors as shall be approved by the same authority in consultation with the local Excise authorities and specified in the license—

(1) to sailors of the Royal Navy, soldiers and the members of their families; or,

(2) to any other person living in barracks;

(*b*) (1) to persons whom a vendor knows, or has reason to believe, to be camp followers, *i.e.*, any classes of followers (other than private servants) whether on or off duty, who have a right to be in cantonments;
(2) to Policemen, Excise Officers and Railway servants when on duty or,
(*c*) in any circumstances, to any—
(1) European vagrant under escort of the Police;
(2) child or young person under 16 years of age;
(3) insane persons; or
(4) person known or believed to be intoxicated.

Note.—The restrictions in (*a*) and (*b*) do not apply to soldiers, their families and followers when they are absent on leave from their regiments.

41. No privilege of supply or vend shall be sold, transferred or sub-rented without the Deputy Commissioner's previous permission, which will only be given if the applicant is prepared to forfeit his deposit already made except in cases where the Deputy Commissioner sees reason not to enforce the penalty. Nor, if the Deputy Commissioner so orders, shall any agent be appointed for the management of any such privilege without his previous approval.

42. No holder of any Excise or Opium license will be allowed, without the written permission of the Excise Commissioner, to possess or continue to possess any interest direct or indirect in any Excise or Opium license outside the Territories of Mysore, or in the Civil and Military Station of Bangalore.

43. Depots and shops must be kept open daily unless their temporary or permanent closure is authorised under condition 35, 37 or 38 *supra* and such supply of liquor, intoxicating drugs or opium as the Deputy Commissioner may consider sufficient to meet local requirements, must be maintained therein. The details of such supply will be published in the *Mysore Gazette*. Shops not opened by 1st July or on the dates to be fixed by the Deputy Commissioner in the case of bagani toddy shops, shall be liable to be resold at the risk of the licensees.

44. No liquor, intoxicating drug or opium shall be sold in shops except for cash. The licensees shall be bound to give intimation of the offer of anything other than cash to the nearest Magistrate or Police Officer. This condition is not, however, meant to restrict credit sales in the ordinary course of business by shop-keepers or firms of standing and respectability dealing in Foreign and Special Liquors for consumption off the premises.

45. No liquor or intoxicating drug shall be sold below the minimum or above the maximum retail prices that may be prescribed from time to time by Government or by any other officer empowered by them in this behalf. Power is, however, reserved to the Deputy Commissioner to raise the retail rates at which the licensee sells any intoxicating liquor or drugs if such rate is below that which may be reasonably expected to cover the cost, the rental and other incidental expenses.

Power is also reserved to the Deputy Commissioner to fix a higher retail price than the prescribed minimum price for the sale of toddy in the shops either within the areas in which the higher rate of duty is levied on arrack sold in such area or within a radius of 5 miles round such high duty areas.

46. No liquor, intoxicating drug or opium in excess of the quantity *prescribed for possession without a license shall be permitted to be removed by any person at any one time from any licensed premises without a valid permit.

47. True accounts of transactions shall be maintained from day to day in ink in the prescribed form in all shops and depots except toddy shops. The account and permit books may be obtained from the local Excise Officers on production of receipts for the payment of the cost price into a Government Treasury. Permits for liquor, intoxicating drugs or opium received must be carefully filed. The accounts and permits shall immediately after the expiry of the lease, be handed over to the Range Inspectors who shall preserve them for a further period of one year before they are destroyed.

48. Such returns and information as may be required from time to time by any officer not below the rank of an Excise Assistant Inspector shall be furnished by holders of licenses without delay.

49. Only such weights and measures as may from time to time be prescribed by the Excise Commissioner shall be possessed or used on any licensed premises. The possession or use of weights or measures that are incorrect on any licensed premises will render the licensee liable to punishment. In the case of toddy shops, earthen or other measures may be used provided they are of the same capacity as those of the prescribed measures which must however be maintained in all licensed premises. There is no objection however to use a quarter seer toddy measure in case of necessity.

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*(1) Arrack and other country spirits, of prescribed strengths, one reputed quart.
(2) Toddy, four imperial quarts or four seers.
(3) Ganja, four tolas.
(4) Opium one tola.
(5) Foreign liquor, two gallons.

50. Any officer of the Excise Department of rank not lower than Sub-Inspector is authorised to inspect licensed shops and depots. These officers are empowered to enter and examine the premises, to test weights and measures in use and the liquor, intoxicating drugs and opium in the possession of licensees, and to call for and check the accounts kept in the shop or depot. Police officers will also make an inspection when it comes within the scope of their duty.

51. An inspection note book with the pages numbered consecutively, for inspecting officers to enter their remarks in shall be maintained and always kept in the shop and be handed over to the Excise Inspector in charge of the range or any officer authorised by him to receive it on a receipt being given therefor, when it is wanted by such officers for the purposes of an enquiry under the Excise Regulation or the rules framed thereunder.

52. The amount for which the privilege has been purchased shall be payable in twelve equal monthly instalments into the local Government Treasury together with any †Railway and Education cesses the levy of which has been already ordered, on or before the 10th of each month beginning with July. Licensees who fail to make payment of monthly instalments as aforesaid shall be liable to pay interest from the following day together with such fines as may be imposed by the Deputy Commissioners.

NOTE.—In the malnad and semi-malnad taluks, the Deputy Commissioners may permit patels of villages who are not themselves licensees to receive payments not exceeding Rs. 50 from any individual at a time.

Kind	*Items*	*Districts*	*Rates per rupee.* †*Railway Cess*	*Edn. Cess*
			Rs. a. p.	Rs. a. p.
Toddy	Tree tax, tree rent and shop-rent.	Bangalore	...	0 0 6
		Tumkur	0 0 3	0 0 6
		Mysore	0 0 3	0 0 6
		Shimoga	0 0 3	0 0 6
		Chitaldrug	....	0 0 6
Special Liquor ...		Kolar	0 0 6	...
Arrack, Ganja ...	Duty ...	Kadur	...	...
Majum and Beer		Hassan	...	0 0 6

53. No remission or abatement of the rent shall be claimable on any account whatever nor shall any remission be granted on the allegation of loss incurred on account of temperance propaganda.

54. Any sum due by a licensee may be recovered by attachment and sale of the property of the licensee or his surety under any law for the time being in force for the recovery of arrears of land revenue.

55. Power is further reserved to Revenue Officers to suspend licenses in case of failure of payment of khists on the due dates or (in the case of toddy) tree-tax also. In the case of arrack, toddy and drug shops, this power will be exercised by Amildars and in other cases by the Deputy Commissioners.

56. In the event of the aforesaid arrack, toddy or drug licensee failing to pay his khist, the Amildar after suspending the license shall, with the previous sanction of the Deputy Commissioner, resell after notifying the date of resale by affixing a notice on the Taluk Office Notice Board, the privilege with effect from the date of issue of license to the new purchaser. The date of sale shall be after the 20th of the month for which the khist is due, and before the close of the month. Resales should be held in the same way as the annual sales and subject to the same conditions as those applicable to the annual sales according to the rules. Resales should be given wide publicity by notifying them in the "*Mysore Gazette*," whenever possible and in important villages of the taluk in which the shops to be resold are situated by beat of drum. The Deputy Commissioner may also in his discretion dispose of the privilege in any other manner. The resale should, as far as possible, be notified to the defaulter. All losses on account of suspension and resale or other disposal of the privilege shall be borne by the defaulting licensee, but he shall have no right to gain, if any, which accrues. The whole of the deposit if any made at the commencement of the lease will be liable to forfeiture at the discretion of the Deputy Commissioner who may either direct such forfeiture or appropriate the same towards the arrears due by the defaulter as well as towards the deficits, if any, arising from the resale or other disposal of the privilege. The officer who has power to suspend the license may, however, at his discretion allow sales to continue pending resale or other disposal of the privilege. Disposal of the privilege of sale otherwise than by resale includes also closure of the shop or tavern.

57. Interest on all moneys due shall be payable at the rate of one pie per rupee or fraction of a rupee per month or fraction of a month.

58. Infraction of any of the conditions of the license either by a licensee or by any person in his employment will entail on the licensee or such person concerned fine up to Rs. 50 and it may entail on the licensee forfeiture of deposits, and cancellation of license and resale, or other disposal of the privilege at the risk of the licensee.

The licensee or his agent or both may also be prosecuted for the specific offence committed. The rent for the whole lease shall become due at once, when a lease is cancelled under this condition.

NOTE.—For continuing breaches of a license, continuing fines may be imposed.

59. Any license may be forfeited and the privilege resold or otherwise disposed of at the risk of the licensee if the licensee be convicted before a Magistrate of any offence against the *Excise Regulation or Opium Act* or of any offence under the Indian Penal Code, which in the Deputy Commissioner's opinion renders him unfit to hold it. *The purchaser of a privilege is liable to the penalties prescribed in this condition if he is convicted of any such offence as above contemplated after the confirmation of the sale of the privilege to him, though before the issue of a formal license.* Forfeiture of any license under this clause shall involve forfeiture of the balance of all deposits after payment to Government of all sums due under the lease.

60. Licensees are bound to report to the Deputy Commissioner all instances which come to their knowledge of persons employed by them in the manufacture, carriage or sale of liquor, opium and intoxicating drugs, committing breaches of the Excise or Opium Laws or of engagements entered into by them and to comply with the Deputy Commissioner's orders respecting the continued employment of such persons. No person who has been convicted under the Indian Penal Code shall be employed in the carriage or sale of liquor, opium and intoxicating drugs without the Deputy Commissioner's previous permission.

61. Pecuniary dealings by licensees of any kind whatever with officials of the Excise Department are absolutely prohibited.

62. With the sanction of the Excise Commissioner, any license shall be revocable by the Deputy Commissioner, at his discretion on giving the licensee fifteen days' notice of such revocation, in which case a proportionate part of the fee paid will be refunded.

63. All licensees shall be bound by any additional general rules that may be prescribed under the Excise or Opium Laws and if so required by the Deputy Commissioner or any officer authorised by him, deliver up their licenses for amendment or for the issue of fresh ones.

64. No licensee shall have claim to any compensation or remission on account of any arrangements which may be made in regard to liquors or intoxicating drugs other than those to which his license relates.

65. No licensee of any one kind of liquor shop shall, during the term of such license, have any interest in the exclusive privilege of vending any other kind of liquors within five miles from it, nor shall he permit any person having such interest to hold any share or interest in his exclusive privilege.

66. The licensee shall be bound to take over any liquor or drug which may remain in the shop as stock in hand belonging to the outgoing licensee, whether the privilege is purchased at a re-sale or at an original sale, at the time when the privilege is made over to the former, paying the latter such compensation for the same as may be fixed by the Deputy Commissioner. Any liquor or drug that, at the time of stock-taking, found to be unfit for human consumption, will be destroyed and the outgoing contractor is not entitled to any compensation for it.

SECTION II.

CONDITIONS APPLICABLE TO ARRACK LICENSES.

1. The privilege conferred by the license extends only to the sale of arrack of the strength of 35° U. P. In places where separate shops are not licensed for the sale of sugar cane jaggory arrack of 35° U. P., the arrack shop-keeper may be permitted to sell jaggory arrack in reputed pint or quart bottles. This privilege is however liable to be withdrawn at any time during the lease and it shall not be open to the licensee to claim any compensation on this account. But in places where both arrack and special liquor shops exist, the privilege of selling bottled jaggery arrack will be given to the licensee of the special liquor shop. When molasses arrack is for any person not available for issue from the Distillery, jaggory arrack may be supplied in bulk in place of molasses arrack.

2. (1) The strength and quality of arrack that may be sold, and the rates at which liquor may be purchased by licensees from Government Bonded Depots, (or from the Government Distillery direct when specially permitted by the Excise Commissioner for want of adequate stock in the Depots) shall be such as may from time to time be fixed by Government.

(2) The quantities purchased at one time shall not fall below one gallon of arrack. For the transport of liquor from the Bonded Depots or from the Government Distillery direct in the special cases referred to in clause (1) arrack shop-keepers should provide themselves with jars or other suitable receptacles which can be effectively closed and sealed and also arrange to get the consignments properly sealed before delivery.

(3) The licensees shall pay the prescribed duty, price and other charges into a Taluk Treasury or to a special shroff, if any, appointed on this behalf at the cost of Government, and located at the Taluk Cutcherry to receive such duty, price and other charges *daily* including Sundays and holidays or to such other Officer as may be appointed by the Deputy Commissioner, and shall obtain a receipt in the prescribed printed form. On production of such receipt, the Bonded Depot-keeper shall issue the quantity of liquor equal to the amount of duty and price shown in the said receipt which will be forwarded to the Taluk Amildar under the endorsement of the Bonded Depot-keeper aforesaid, as to the date and hour when the liquor was issued. The Depot-keeper aforesaid shall issue a permit in the prescribed form for the transport of liquor from the Bonded Depot. He shall also issue sample bottles with the consignments in such manner as may be ordered by the Excise Commissioner.

(4) Persons who purchase group of shops may, with the special permission of the Excise Commissioner (who is at liberty to refuse it) and under a license by competent authority, open a depot and remove thereto liquor purchased from the Bonded Depot and issue therefrom the requisite supply to their shops

(5) No consignments of arrack received at the shop which have been transported through British Territory shall be opened before they have been verified by the officers authorised to do so.

(6) The arrack kept in the shop, offered for sale and sold, shall be unadulterated and undiluted, and it shall be of the same quality and strength as issued from the Bonded Depot, subject to such margin as may be allowed by the Excise Commissioner from time to time.

NOTE.—The licensee shall maintain intact the sample bottle issued to him by the Bonded Depot-keeper with each consignment till the bulk of the liquor in the consignment is exhausted.

(7) Arrack shop-keepers may be required by the Health Department to keep a pail of water in their shops for the purpose of washing tumblers used by consumers. Suitable arrangements shall in this case be made, so that the vendor does not himself become the cleaner of such tumblers. A pail of water shall be kept at some distance from the counter or bar and a separate individual told off for the purpose of washing vessels used for drinking.

(8) The licensee of every shop in the [illegible] galore and [illegible] pay registration fee at the rate of R[illegible] licensee at any time d[illegible]op and he shall annum in advance for the peri[illegible]k sold by him in pay a surcharge of (4) four annas [illegible] registration and excess of 55 gallons a month in [illegible] cipalities with the surcharge fees on arrack as m[illegible] arrack shop. sanction of Government will [illegible] charge fee of

(9) The licensee of every arrack shop [illegible] a month 4 annas a gallon on all arrac[illegible]les of in each such shop. [illegible]sting

(10) No rural arrack shops will b[illegible] infringe this Bangalore City and the Civ[illegible] shops within that zone will [illegible] condition.

(11) The Deputy Commissioner m[illegible]uring the cur- rency of his lease, to raise the rat[illegible] if such rate is below that which may reasonabl[illegible]st, the rentals paid and incidental exnses. [illegible] Board on the

(12) Every arrack shop should maintain a te[illegible] 'gulla' for placing the [illegible]al glass of liq[illegible]

SECTION III.

SPECIAL CONDITIONS APPLICABLE TO SPECIAL LIQUOR AND JAGGORY ARRACK LICENSES.

1. The privilege extends t[illegible] the sale in sealed receptacles, of special liquors manufactured in the Government Central Distillery, at Bangalore only, which shall be generally of the strength of 20° U. P. and also of Jaggery Arrack of the strength of 35° U. P. in quantities not less than a pint of each kind, at a time.

2. The licensee is prohibited from rectifying spirits or purifying, colouring or flavouring or mixing any material therewith.

3. Liquor sold under this license shall not be consumed on the premises.

4. The license-holder shall obtain special liquors including Jaggory arrack direct from the Government Central Distillery, Bangalore, on payment of such amount of duty thereon

as may be prescribed from time to time, into the Government Treasury of the Taluk in which the shop is situated, the price of the liquor being paid to the Manufacturing contractors at the Distillery and the treasury receipt for having credited the amount of duty to the treasury being sent to the Manufacturing contractors for delivery to the Officer in charge of the Distillery. He should sell the liquors to the public at such prices as may be notified from time to time.

SECTION IV.

SPECIAL CONDITIONS APPLICABLE TO THE SALE OF COUNTRY BEER.

1. The privilege conferred by the license extends, to the sale, only in sealed bottles or in bulk, of country beer or porter brewed on the Nilgiris in Brewery premises which may be approved of by the Government or by Messrs. Meakin & Co., Kirkee, or by the United Brewery Co., Ltd., Bangalore, or in any other Brewery approved by Government.
2. All country beer intended to be imported into the Mysore State, in bottles, shall pay such duty as may be fixed and notified by Government from time to time into the Bangalore Taluk Treasury on the printed chellan prescribed for the purpose.
   (a) An application shall then be made, with the aforesaid chellan received from the Treasury, to the Excise Commissioner in Mysore for the grant of the necessary permit.
   (b) On obtaining the permit the necessary permission of the Excise authorities of the place up to one reputed destination is to be exported, the liquor may be imported and sold under this licence.
   (c) The consignality shall be such as to be exported under cover of the permit.
   (d) The permit shall be in triplicate, the original shall be issued to the destination. Worth Excise Officer.
   (e) The beer or porter shall be sent duly sealed. The duplicate shall be sent simultaneously to the Excise Commissioner in Mysore. On the back of the permit the result of adulteration, if any, required by the Excise Officer.
   (f) Whenever the beer or porter is found to contain more than 8 p.c. of alcohol, the remainder of the permit shall be returned to the Excise Commissioner for being issued to a Magistrate having local jurisdiction, and be allowed to be destroyed in his office.
   (g) Any Excise officer shall be allowed to be in his office.
   (h) In the case of beer or porter on the premises and ex[illegible]ved quality. It should not be sold the pr[illegible] the duty of [illegible]ense-holder, [illegible]vilege is for sale in sealed bottles.
4. The beer or [illegible]unts shall be true and corres[illegible] beer may be sold to be drunk on and its [illegible]s. All condemned beer, sh[illegible] bottle at a time.
   be of th[illegible]ught for the Commissariat shall be brewed from good materials dilut[illegible] Departments, shall not satisfy the Excise Commissioner and shall sh[illegible] shop. [illegible] as purchased from the Brewer, without [illegible] not exceed 1073°. The beer or porter sold [illegible]nt of alcohol by volume. Samples of such [illegible]ed from the shop for examination and [illegible]epartment.
5. [illegible] any officer acting under his warrant [illegible]ntry to the shop at any hour to test the [illegible]ine the shop accounts, which it shall [illegible] vendor to keep and produce. Such [illegible]t, an written up daily in the prescribed [illegible]ll be destroyed.
6. Beer bro[illegible] Departme[illegible] and rejected by the Military or other [illegible] under any circumstances, be forwarded for sale in th[illegible]

SECTION V.

[illegible]PLICABLE TO TODDY LICENSES.

1. The exclusive privilege conferred by the license extends to the sale of Date Palmyra, Cocoanut, Bagani and Dadasal toddy. But in tracts where both Date and Bagani toddy shops exist, the licensee of the Date toddy shop shall not tap Bagani trees and the licensee of the Bagani toddy shop shall not tap Date trees; but both licensees can tap any of the other palm trees named above.
2. For the supply of toddy to his shops the licensee shall have the privilege of obtaining subject to tree-tax rules, toddy-yielding trees in the groves assigned to his shops or groups of shops, and he shall be at liberty to manufacture toddy from the trees in private lands under private arrangements between

himself and the owners of such lands. If the Deputy Commissioner is satisfied that the said (hiduvali) trees should not be tapped, he is competent to withdraw the tree-tapping license and the licensee affected thereby shall not claim any damages therefor. In the case of trees on Government unoccupied lands included in the date reserve list and reserved for future use, the previous sanction of the Excise Commissioner should be obtained before accepting applications for licensing them. The number of trees shown in the assignment lists is only approximate and is subject to alteration at the time of presenting appplication for trees. The Revenue Sub-Division Officer, may approve all such alterations on the recommendation of the Range Inspectors. The licensee may purchase toddy from any licensed toddy shop-keeper on application to the Inspector or Assistant Inspector who will grant the required permits on proof of the necessity for the same in the following cases:—

(*a*) Where there is an unusual demand for toddy in a shop in consequence of a festival or for any other valid reason to be recorded by the Range Inspecter.

(*b*) Where trees have ceased to yield during the last few days of a lease.

(*c*) Where toddy drawn by one shop-keeper at the end of the lease cannot reach the shop before the first few days of the new lease.

3. No toddy in excess of the produce of trees licenced for that shop and covered by a transport permit shall be transported to or kept in the shop or offered for sale or sold.

4. The licensee shall be responsible to Government for all payments of instalments of fees due on account of tree-tapping licenses granted on his application in his own name or in the names of his nominees under the conditions set forth therein and in the rules relating thereto.

5. If any instalments are not paid within the time, the tapping license shall be liable to be cancelled or suspended under Section 26 of the Excise Regulation. Fresh applications for trees shall not be accepted from licensees until the arrears of tree-tax relating to all their shops are paid up.

6. In case of default, the Amildar will order the suspension of "all current" tapping license till the arrears are paid up; and if, after receiving notice of such suspension, the defaulter or his agent or employee continues to tap the trees, any or all of them will be punished departmentally or be prosecuted for illicit tapping.

7. Tree-rent at Re. 0-8-0 per tree shall be paid at the time of application for a tapping license for all Government trees applied for being tapped for the supply of toddy shops whether within or outside the Mysore Territories or in the Civil and Military Station, Bangalore. Railway and Education cesses on tree-rent will be levied in addition as stated in General Condition 52 *supra*.

NOTE.—No trees on Government occupied land can be tapped without the consent of the owner. The present arrangements as regards trees in alienated land will hold good, subject of course to the levy by Government of tree-tax.

8. The tapping of trees is subject to the following conditions:—

(*a*) Date trees shall be tapped only by professional men.

(*b*) No date tree shall be tapped oftener than in alternate years or for more than four months in the year.

(*c*) Trees shall not be over-tapped or over-worked, *i.e.*, worked every day during the currency of the permit.

(*d*) In no date trees shall the initial incision be made at any point within four feet from the ground or eighteen inches from the top of any other incision except in places where permission is specially given by the Deputy Commissioner.

(*e*) The depth and width of the incision shall not exceed one-third of the diameter of the tree and the length of it shall not exceed eight inches.

(*f*) The central spike-like clusters shall not be touched. Of the lateral leaves not less than two layers of leaves shall be left, reckoning from the layers immediately next to the central clusters down to the top line of incision; for in other words, above the top line of the incision not less than eight leaves shall be left excluding the central spike-like clusters on that face of the tree on which the incision is made.

(*g*) The licensee shall not cut or injure or permit to be cut or injured the trees licensed to him or any other trees.

(*h*) The licensee or his employer will be liable to pay a fine equal to double the amount of tree-tax in force during the year for each tree, which may die from over-tapping or careless tapping either during the lease or within six months after its expiration. The fine will be levied on trees belonging to Government found dead at the close of every-half year. He will be liable to pay a similar fine for every tree which he prepares for tapping if it dies in consequence of such preparation before he taps it.

(*i*) The licensee will not be entitled to compensation for any trees withdrawn or taken up for public purposes or for any trees standing on the banks or beds of irrigation works under the control of the Public Works Department which that department may require to cut down or strip off their leaves or branches.

(*j*) When the licensee makes default and his shop is resold, or otherwise disposed of, his rights to and claims on all toddy-yielding trees for the purpose of tapping cease and determine.

9. The licensee shall not interfere with the persons holding license for cutting date leaves for mat-making, rope-making, basket-making, or for agricultural or other purposes when they make use of the trees assigned for such purposes, and no reserved for tapping.

10. Deputy Commissioners may, subject to the orders of the Excise Commissioner from time to time, prescribe the minimum number of trees for which license will be granted, and the minimum number to be entered in a single application. They may also direct that the trees situated in one village only shall be included in an application.

11. The distillation of spirit from toddy is absolutely prohibited.

12. If the licensee of a group of shops wishes to transport the toddy intended for his several shops *in one consignment*, he should obtain a depot license and carry the toddy to this depot with the usual permit. The toddy intended for each shop shall be distributed in accordance with the permits granted for transport from the depot to the shop. The permits issued with the transport shall be subject to examination and check by the officer authorised in this behalf.

13. Tree-foot sales or sales in the open or the disposal of toddy in any other manner unauthorised by the rules, are strictly prohibited.

14. The licensee or his vendors shall not sell to any person more than three measuring seers of toddy to be consumed by the person at one time in the shop, nor shall it be sold to the public at less than the retail rates fixed by Government. Toddy can be removed without a permit for consumption up to the limit of one imperial gallon or four seers.

15. In every grove where toddy-yielding trees are tapped, a ladder shall always be kept by the tap-man to enable Excise Officers to examine spathes or incisions as the case may be.

16. The licensee shall pay the usual mohatarfa tax on carts used for conveying toddy, but such carts shall not be impressed for Government work.

17. The following rules shall regulate the issue, etc., of licenses under Section 12 of the Mysore Excise Regulation, V of 1901, for the tapping of toddy-producing trees and for the drawing of toddy therefrom :—

I. Tree-tapping licenses in the prescribed form shall be issued on the application—

(*a*) of licensed toddy shop-keepers or of their duly authorised agents ;

(*b*) of toddy shop-keepers or renters in the Madras Presidency ;

(*c*) of malnad land-holders free of the prescribed tree-tax for drawing toddy for *bona fide* domestic purpose as per Government Order No. Fl. 7473-83—S. R. 248-12-7, dated 11th June 1917.

(1) The maximum number of trees allowed to be tapped free of tax for *bona fide* domestic consumption such as bread-making, etc., will be as below :—

Coffee Planters ...	.... Three ...	... (Annually).
Kan-holders ...	... Two ...	... do
Hiduvalidars ...	... One ...	... do

(2) Coffee planters may be allowed to open an estate shop subject to a minimum shop rent of Rs. 3 per month.

(3) Kan-holders may also be allowed to open shops in their holding on the same terms, provided that they show to the satisfaction of the Deputy Commissioner that they have a legitimate demand for such shops for the use of their coolies and dependents.

NOTE.—The estate or kan licensee is prohibited from selling toddy outside such estate or kan or to persons who live outside the same.

The licenses may be issued in the name of the applicant himself or of his nominee.

II. Application for the grant of tree-tapping licenses must be made in the prescribed form to the Excise Inspector of the Range concerned through the local treasury. Forms may be obtained from him or the Assistant Inspectors under him. Applicants must first pay the first instalment of tree-tax together with the tree-rent on Government trees due on account of the trees which they desire to tap.

III. The tree-tax on toddy produced by trees in the Madras Presidency, but consumed in the Mysore State, will be credited to the Mysore Government. The rate of tree-tax to be paid in such cases will invariably be the highest in force on either side of the frontier. Tree-tax on trees in the Madras Presidency for which tapping licenses are about to be taken out by Mysore shop-keepers, must be paid in one instalment to the Amildar of the taluk concerned in the Mysore State, who will grant a receipt in the prescribed chellan form and certify at the foot that the applicant is a person entitled to take out tree-tapping licenses. The applicant will then make his application to British authorities in accordance with the Madras Government Tree-tapping Rules; and will obtain a transport permit from the Inspector concerned in the Mysore State, for the transport of the toddy drawn from the frontier to the shop or depot for which it is intended, after having complied with all requirements of the Madras Government Rules. The British and the Mysore Governments reserve to themselves the right to impose in addition to the tree-tax, a rent for the use of trees belonging to them, the same when imposed being payable by British and Mysore Licensees alike. The arrangements agreed to by the Madras and Mysore Governments with regard to the issue of the licenses for tapping trees in either territory on the application of shop-keepers in the other do not prevent the reservation of trees in any specified area, in the Madras Presidency or in Mysore State, with a view to afford rest thereto or for other sufficient reason and the mere payment of tree-tax into the British or the Mysore Treasury does not entitle an applicant to tapping licenses for trees so reserved.

IV. Applications for tree-tapping licenses, for trees in occupied or alienated lands, should be countersigned by the owner of the trees intended to be marked, in token of his consent to the trees being tapped and to holding himself liable for the tree-tax in case the license-holder fails to pay it and such counter-signature shall, in the case of illiterate owners, be attested by the patel or shanbhog of the village in which the trees stand. Applications for tree-tapping licenses for trees in the State Forest and plantations should be countersigned by the Forest Range Officer in token of his consent.

V. On receipt of an application, the Inspector will at once take steps for the marking of the tree by an officer superior in rank to a Sub-Inspector or in special cases by an officer not inferior in rank to a Sub-Inspector and for the timely issue of the license and transport permits as detailed in the T. T. Rules. Applicants for date trees shall get the requisite space on their stems prepared and point out to the marking officer, when required by the latter to do so, the trees applied for by them. Should they fail to do so, after reasonable notice, the tree-tax and tree-rent paid by them shall be liable to be forfeited at the Deputy Commissioner's discretion.

VI. No trees shall be tapped, nor shall toddy be drawn from any toddy tree, nor shall any pot be attached to any toddy tree until the tree has been marked by the proper officer. But the removal of leaves for the purpose of making incisions and the preparation of the spathes or spaces for the drawing of toddy is permitted as soon as the application in the prescribed form has been delivered to the treasury concerned.

VII. For date trees, tapping licenses and transport permits shall ordinarily be issued for four months; but in special cases the Deputy Commissioners may grant such extension of time as is necessary provided that the period of the license does not exceed six months including extensions. In no case however shall the period of the license extend beyond the close of the lease.

For cocoanut trees, tree-tapping licenses shall be half-yearly; that is, they shall be in force from 1st July or any subsequent date to 31st December immediately following and from 1st January or any subsequent date to 30th June immediately following.

In the case of other toddy-yielding trees, the period shall be annual. For the convenience of the licensee, the application for tree-tapping licenses will be received, trees will be marked and licenses will be issued during the fifteen days previous to 1st July, but pots shall not be attached before the evening of 23rd June.

VIII. Between sunset and sunrise no toddy shall be drawn or kept by a person holding a license under these rules in the garden or field in which stand the trees which he is licensed to tap. The Excise Commissioner may relax the restriction in any local area on sufficient cause being shown. This will not apply to toddy contained in the pots attached to the spathes of the trees.

IX. The tax payable on each kind of toddy-yielding tree and its time of payment shall be such as may from time to time be prescribed by Government.

X. The tree-tax shall be payable in the following instalments, unless the Excise Commissioner shall otherwise direct. In the case of Bagani trees full amount of tree-tax should be paid in one instalment only, when presenting the application :—

Period within which license is applied for	Proportion of tree-tax to be paid at the time of application for license	Proportion of tree-tax to be paid on the last day of the second month
Between 1st July and end of February ..	One-half	The remaining half.
Between 1st March and 30th June	The whole	....

SECTION VI.

CONDITIONS APPLICABLE TO GANJA LICENSES.

1. The privilege conferred extends only to the sale of Ganja, Bhang and other intoxicating drugs prepared from the hemp plant.
2. Ganja, bhang or other preparations and admixtures of ganja (except halva, which may be made from the powder on the retail vendor's hand, under authority of the Inspector for sale to the public and on the responsibility and at the risk of the vendor), shall be purchased from the Government only, and shall be covered by a permit in the prescribed form.
3. Ganja, bhang and majum shall be sold at such prices as may be fixed from time to time by Government and those prices shall be in addition to the duty that may from time to time be prescribed by Government.
4. The licensee shall pay the above duty and price into a Taluk Treasury and shall obtain a receipt in the prescribed printed form. On production of such receipt the Taluk Treasury shall issue the quantity of ganja equal to the amount of duty and price shown in the said receipt, and a permit in the prescribed form for the transport of the same.
5. The licensee shall sell ganja at such rates as may be prescribed by Government from time to time.
6. The licensee shall not sell to any person more than four tolas of ganja during one day on any pretence whatever.
7. The consumption of ganja in the shop or the selling of the same to persons keeping ganjakhanas or such secret places where people congregate to smoke or partake of ganja is prohibited.
8. During the closing month of the lease (June), no licensee shall apply for more ganja than is necessary to meet the legitimate requirements of the remaining days of the lease. Every indent for ganja in June either to the Central Store House Officer (Distillery Officer, Bangalore) or to a Taluk Treasury shall be sent through the Inspector of the Range concerned, who may, at his discretion, refuse to pass it in full and may pass for supply only such quantity as he considers reasonable.
9. Shop-keepers are prohibited from breaking up the pressed ganja kept for sale in their shops, except in small quantities not exceeding the average daily sales in their shops. No licensee shall destroy the seeds or any part of his stock of ganja. The seeds if separated from the stock, as well as any part of the stock which the licensee desires to destroy should be carefully preserved for examination and destruction by an Inspecting Officer.
10. If any ganja license is used as a cloak for illicit sales or if the licensee knowingly sells ganja to a ganja smuggler, or if the Deputy Commissioner has reason to suspect that the licensee is guilty of any offence of that nature, he may after recording his reasons, forthwith cancel the license and resell or otherwise dispose of the privilege at the risk of the licensee. The rent for the whole lease shall become due at once when a license is cancelled under this condition.
11. The Deputy Commissioner may order a licensee at any time during the currency of his lease to raise the rate at which he sells ganja if such rate is below that which may be reasonably expected to cover its cost, the rentals paid and incidental expenses.
12. No licensee shall keep any greater quantity of ganja or other intoxicating drugs from the hemp plant than may be fixed by the Deputy Commissioner. The Excise Commissioner may, at any time during the currency of the lease, if he finds that the issues to a shop are abnormally high, restrict further issues unless good reason is shown by the shop-keeper.

391

SECTION VII.

CONDITIONS APPLICABLE TO OPIUM LICENSES.

1. The licensee shall be bound by the rules prescribed under the Opium Act now in force, or such other law as may hereafter be enacted in the Notifications of Government and of the Excise Commissioner and any additional general or special rules which may from time to time be notified.
2. The smoking or consumption of opium or its preparations in any form in premises licensed for sale and the sale of morphia or preparations for smoking are prohibited.
3. If this license is used as a cloak for illicit sales or if the licensee knowingly sells opium to an opium smuggler or if the Deputy Commissioner has reason to suspect that the licensee is guilty of any of these offences, he may, after recording his reasons, forthwith cancel the license and resell or otherwise dispose of the privilege at the risk of the licensee. The rent for the whole lease shall become due at once, when a license is cancelled under the condition.
4. Private persons are permitted to manufacture intoxicating drugs and smoking preparations for their own use only, provided they do not exceed the limit for possession.
5. Shop-keepers shall obtain their supply of opium from any Taluk or District Treasury in entire cakes of twenty or forty tolas (more or less) at a time at such rate as may be notified by Government from time to time. The purchase shall be covered by permit in the prescribed form. During the closing month of the lease (June) the licensee may not apply for more opium than is necessary to meet legitimate requirements of the remaining days of the lease. Every indent for opium in June will be carefully scrutinized by the Officer in charge of the Taluk Treasury who may at his discretion refuse to comply with it in full and may issue such quantity as he considers reasonable. The Range Inspector may be consulted in the matter.
6. No opium other than that obtained in the manner specified above shall be sold, received or possessed by shop-keepers. Nor shall any items of food or drink be vended in any retail opium shop.
7. The privilege conferred extends only (*a*) to the retail sale of opium in ordinary shops and (*b*) to the manufacture and retail sale of introxicating preparations made from opium or poppy other than morphia or preparations for smoking, in firms or institutions duly sanctioned.
8. The licensee shall not sell opium to the public at a price lower than the minimum retail rate that may be fixed by Government from time to time.
9. The licensed shop-keeper may not sell at one time to any person more than one tola of opium or any other preparations of opium.
10. The licensee shall keep no greater quantity of opium or intoxicating preparations other than morphia or preparations for smoking than that fixed by the Deputy Commissioner at the time of granting the license.
11. The Deputy Commissioner may order a licensee at any time during the currency of his lease, to raise the rate at which he sells opium if such rate is below that which may be reasonably expected to cover the cost of opium the rentals paid and incidental expenses.
12. The Deputy Commissioner is empowered to restrict the issues of opium to licensees of shops suspected of malpractices at any time during the currency of the lease.

By Order,
B. SRINIVASA IYENGAR,
Secretary to Government,
Revenue Department.

APPENDIX I

ANNEXURE.

List of immoveable property possessed by.....

successful bidder of _____ shop

surety of the successful bidder of

No.....at.....taluk,.....

district for the lease of the year 19.....19.....

(1) Name.....

(2) Father's name.....

(3) Residence and address.....

(4) Occupation.....

(5) Particulars of immoveable property possessed :—

I

District	Taluk	Village and name of street in case of houses	Survey numbers and (door numbers in case of houses)	Extent	Wet or dry	Assessment	Market value per acre in the case of land	Registered in whose name; if pattadar, patta number
1	2	3	4	5	6	7	8	9

II. What is the nature and extent of your ownership or interest in the above property ?

III. Are there any existing encumbrances on the above property ? If so, nature and amount of each such encumbrance.

IV. Are there any other claims upon the property shown in head I above ? If so, the nature and amount of such claim should be stated.

I....., son of....., residing at....., hereby solemnly declare that the facts about my property above stated are complete and true and that there are no encumbrances thereon, beyond these shown in Head III above and I shall not encumber further encumber any of the property shown in statement above without the previous intimation in writing to the Amildar of..... Taluk.

Witness.....

Address.....

Date.....

Place.....

Signature.....

NOTE.—(1) Under Head II, it should be stated whether the property is the sole or joint family property of the declarant; if joint family, the share of the declarant and value thereof should be stated.

(2) Under Head IV should be noted interests in or claims on the property other than those noted under Head II, e.g., claims on account of dowry or stridhanam.

(3) The Amildar should question the deponents further, if necessary, in order to elucidate their statement and should record the replies which should be signed by the deponents and the Amildar and attached to this declaration.